



CITY OF LEMON GROVE

CITY COUNCIL STAFF REPORT

Item No. 1.D

Meeting Date: March 19, 2019

Submitted to: Honorable Mayor and Members of the City Council

Department: Public Works Department

Staff Contact: Mike James, Assistant City Manager

mjames@lemongrove.ca.gov

Item Title: Award the FY2018-19 Street Rehabilitation Project

Recommended Action: Adopt a Resolution Awarding the FY 2018-19 Street Rehabilitation Project (Contract No. 2019-08)

Summary: In support of the City's Five-Year Capital Improvement Program, the City invited sealed bids for the FY 2018-19 Street Rehabilitation Project (Contract No. 2019-08) in January 2019. On February 21, 2019, the City received five sealed bids. Staff determined that of the bids received, American Asphalt South was the lowest responsive and responsible bidder with a base bid of \$397,941.54.

Discussion: In January 2019, the City advertised on PlanetBids and invited sealed bids for the FY 2018-19 Street Rehabilitation Project (Contract No. 2019-08) to apply various street treatments at the following locations throughout the city:

STREET	FROM	TO
ADAMS ST.	WASHINGTON	GOLDEN
ALTON DR.	ENGLEWOOD	SKYLINE
ANGELUS AVE	CANTON DR	SOUTHERN CITY LIMIT
BALDWIN	ROY	WASHINGTON
BONITA ST	MT. VERNON	BERYL ST
CUYAMACA	NEW JERSEY	BUENA VISTA
CENTRAL	CYPRESS	OLIVE
CENTRAL	OLIVE ST	MAIN ST
CENTRAL	CHATEAU	MASS
CITRONELLA	CDS	CYPRESS

CAMERON	CANTON DR	OSAGE
DAYTONA	WEST	NEW JERSEY
DAYTONA	HARRIS	WEST
ENSENADA	EL DORA	BAKERSFIELD
ENSENADA	BARTON	ALTON
ENSENADA	BAKERSFIELD	BARTON
FEDERAL	793' E/O MACARTHUR	411' W/O CENTRAL
FEDERAL	CENTRAL	422' WEST OF COLLEGE
FEDERAL	BROADWAY	COLLEGE
LANSING	SKYLINE	DREXEL
LEMON GROVE AVE	BROADWAY	GOLDEN
LEMON GROVE WAY	NORTH (LGA)	GROVE
LINCOLN	WASHINGTON	GOLDEN
MASSACHUSETTS	MADERA ST	EL PRADO
MASSACHUSETTS	MT. VERNON	MADERA
MASSACHUSETTS	EL PRADO	SAN ALTOS
MT. VERNON	HARDY DR	SKYLINE DR
MT. VERNON	LEMON GROVE AVE	CYPRESS
MT. VERNON	BETH	MASSACHUSETTS
NORTH AVE	246' W/O BUENA VISTA	BUENA VISTA
OLIVE ST	PACIFIC	CHURCH
OLIVE ST	CENTRAL	BURNELL
PALM	CITRONELLA	SKYLINE
PALM	LEMON GROVE AVE	CITRONELLA

In addition to the base bid schedule, staff added two additional alternative bid items to the bid package for all bidders to consider. Alternative 1 included:

1. Pacific from Harris to West,
2. Roosevelt from Fisher to New Jersey, and
3. Washington from Mt. Vernon to 518' South of Mt. Vernon.

Alternative 2 included:

1. College from south end to Federal,
2. Massachusetts from Broadway to Pacific, and
3. Massachusetts from Lemon Grove Avenue to San Altos Place.

On February 21, 2019, the City received five sealed bids. Each company is listed below with its location and project bid total.

Bidder	Location	Base Bid	Add Alt 1	Add Alt 2
American Asphalt South	Fontana, CA	\$397,941.54	\$20,662.35	\$45,711.83
Pavement Coatings	Jurupa Valley, CA	\$479,303.39	\$20,277.43	\$42,848.15
LC Paving	San Marcos, CA	\$542,224.38	\$22,329.25	\$51,129.78
Roy Allan Slurry Seal, Inc.	Santa Fe Springs, CA	\$591,829.69	\$20,369.19	\$40,179.46
Kirk Paving	Lakeside, CA	\$608,752.10	\$20,871.74	\$53,613.54

The City Engineer estimate for the project was \$665,243.00. American Asphalt South submitted the lowest responsive and responsible base bid for \$397,941.54. American Asphalt South remained the lowest responsive and responsible bidder when the base bid and additive alternates were combined. The revised total bid \$464,315.72, which remains less than the engineer's estimate.

Staff reviewed American Asphalt South's project work history, references, and construction license. Its project work history and reference checks were positive. American Asphalt South has successfully performed similar work for other local governments. American Asphalt South's license is current and in good standing with the State of California.

Therefore, staff concluded that American Asphalt South is both a responsive and responsible bidder, and recommends the award of this contract (**Attachment A – Exhibit 1**). Based on the project scope of work, staff recommends the following project budget:

Description	Amount
Construction Costs	\$397,941.54
Add Alt #1	\$20,662.35
Add Alt #2	\$45,711.83
Total Construction Costs	\$464,315.72
Material Testing	\$10,000
Subtotal	\$474,315.72
Contingency – 10%	\$47,431.57
GRAND TOTAL	\$521,747.29

It is important to note that the project budget does not include inspection services that historically have been included in prior public works construction projects. Due to the relatively smaller scope of work and simplistic, routine roadway construction work, City staff will manage all inspection services in-house.

Environmental Review:

- | | |
|---|---|
| <input checked="" type="checkbox"/> Not subject to review | <input type="checkbox"/> Negative Declaration |
| <input type="checkbox"/> Categorical Exemption, Section | <input type="checkbox"/> Mitigated Negative Declaration |

Fiscal Impact: TransNet and Gas Tax funds were budgeted for this project as part of the Capital Improvement Program.

Public Notification: None.

Staff Recommendation: Adopt a Resolution Awarding the FY 2018-19 Street Rehabilitation Project (Contract No. 2019-08)

Attachments:

Attachment A – Resolution

RESOLUTION NO. 2019 -

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LEMON GROVE,
CALIFORNIA, AWARDED A CONTRACT FOR THE FY 2018-19 STREET
REHABILITATION PROJECT (CONTRACT NO. 2019-08)**

WHEREAS, the City of Lemon Grove's Five-Year Capital Improvement Program earmarks funding for the FY 2018-19 Street Rehabilitation Project (Contract No. 2019-08); and

WHEREAS, bids were solicited and five sealed bids were received for the FY 2018-19 Street Rehabilitation Project (Contract No. 2019-18); and

WHEREAS, bids were opened and read aloud and the lowest responsive and responsible bidder was American Asphalt South; and

WHEREAS, the City Council finds it in the public interest that a contract for said services be awarded.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Lemon Grove, California hereby:

1. Awards a contract to American Asphalt South in the amount of \$464,315.72 and establishes a project budget not to exceed \$521,747.29; and
2. Authorizes the City Manager or her designee to execute said contract (**Exhibit 1**).

PASSED AND ADOPTED on _____, 2019, the City Council of the City of Lemon Grove, California, adopted Resolution No. _____, passed by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Racquel Vasquez, Mayor

Attest: Shelley Chapel, MMC, City Clerk

Approved as to Form: Kristen Steinke, City Attorney

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FY 2018-19 CIP Street Rehabilitation Project (Contract #2019-08)

THIS CONTRACT, made and entered into on the date of the last signature, by and between the City of Lemon Grove, California, herein after designated as the "City", and American Asphalt South, Inc. hereinafter designated as the "Contractor".

WITNESSETH: that the parties hereto do mutually agree as follows:

1. For and in consideration of the payments and agreements hereinafter mentioned to be made and performed by the City, the Contractor agrees with the City to furnish all materials and labor for the FY 2018-19 CIP Street Rehabilitation Project (Contract #2019-08) and to perform and complete in a good and workmanlike manner all the work pertaining thereto shown on the plans and specifications therefore; to furnish at his own proper cost and expense all tools, equipment, labor and materials necessary therefore; and to do everything required by this agreement and the said plans and specifications.
2. For furnishing all said materials and labor, tools and equipment, and doing all the work contemplated and embraced in this Contract, also for all loss and damage arising out of the nature of the work aforesaid, or from the action of the elements, or from any unforeseen difficulties which may arise or be encountered in the prosecution of the work until its acceptance by the City and for all risks of every description connected with the work; also, for all expenses incurred by or in consequence of the suspension or discontinuance of work, except such as in said specifications are expressly stipulated to be borne by the City and for well and faithfully completing the work and the whole thereof, in the manner shown and described in the said plans and specifications, the City will pay and the Contractor shall receive in full compensation therefore the sum of four hundred sixty-four thousand three hundred fifteen dollars and seventy-two cents (\$464,315.72).
3. The City hereby promises and agrees to employ, and does hereby employ said Contractor to provide the materials and to do the work according to the terms and conditions herein contained and referred to for the price aforesaid and hereby conditions set forth in the specification; and the said parties for themselves, their heirs, executors, administrators, successors and assigns, do hereby agree to the full performance of the covenants herein contained.
4. The Notice Inviting Bids, Instructions To Bidders, Bid Forms, Agreement and Bond Forms, Construction Administration Forms, Completion of the Project Forms, General Requirements and General Conditions, Drawings, Plans and Specifications, Addenda, Allowances, and all amendments thereof, are hereby incorporated in and made part of this Contract.

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FY 2018-19 CIP Street Rehabilitation Project (Contract #2019-08)

5. The City, the City's representative, City Consultants and authorized volunteers shall not be answerable or accountable in any manner for any loss or damage that may happen to the work or any part thereof, or for any of the materials or other things used or employed in performing the work, or for injury or damage to any person or persons, either workers, employees of Contractor or its subcontractors or the public, or for damage to adjoining or other property, from any cause whatsoever arising out of or in connection with the performance of the work. The Contractor shall be responsible for any damage or injury to any person or property resulting from defects or obstructions or from any cause whatsoever arising out of or in connection with the performance of the work, provided, however, that the Contractor shall not be liable for the sole established negligence, willful misconduct or active negligence of the City, its representatives, employees, agents and authorized volunteers who are directly responsible to the City.
 - a. Contractor shall indemnify the City, City Council, City officials, City employees, City representatives, and authorized volunteers against and will hold and save them and each of them harmless from any and all actions, claims, damages to persons or property, penalties, obligations or liabilities that may be asserted or claimed by any person, firm, entity, corporation, political subdivision or other organization arising out of or in connection with the work, operation or activities of Contractor, its agents, employees, subcontractors or invitees, provided for herein, whether or not there is concurrent passive or active negligence on the part of the City, City Council, City officials, City employees, City representatives, and authorized volunteers, but excluding such actions, claims, damages to persons or property penalties, obligations or liabilities arising from the sole established negligence, willful misconduct or active negligence of the City, City Council, City officials, City employees, City representatives, authorized volunteers, or those who are directly responsible to them; and in connection therewith:
 - I) Contractor will defend any action or actions filed in connection with any of said claims, damages, penalties, obligations or liabilities and will pay all costs and expenses, including attorney's fees incurred in connection therewith.
 - II) Contractor will promptly pay any judgment rendered against Contractor, the City, City Council, City officials, City employees, City representatives, and authorized volunteers covering such claims, damages, penalties, obligations and liabilities arising out of or in connection with such work, operations, or activities of Contractor hereunder and Contractor agrees to save and hold the City, City Council, City officials, City employees, City representatives, and authorized volunteers harmless there from.

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FY 2018-19 CIP Street Rehabilitation Project (Contract #2019-08)

- III) In the event the City, City Council, City officials, City employees, City representatives, and authorized volunteers are made a party to any action or proceeding filed or prosecuted against Contractor for such damages or other claims arising out of or in connection with the Work, or operation or activities of Contractor hereunder, Contractor agrees to pay to the City, City Council, City officials, City employees, City representatives, and authorized volunteers any and all costs and expenses incurred by the City, City Council, City officials, City employees, City representatives, and authorized volunteers in such action or proceeding together with reasonable attorney's fees.
 - IV) The City may retain, to the extent it deems necessary, the money due to the Contractor under and by virtue of the Contract Documents until disposition has been made of such actions or claims for damages as specified herein above.
6. Claims, disputes and other matters in question between the parties to this Contract, arising out of or relating to this Contract or the breach thereof, may be decided by arbitration if both parties to this Contract consent in accordance with the rules of the American Arbitration Association then obtaining unless the parties mutually agree otherwise. No arbitration arising out of or relating to this Contract, shall include, by consolidation, joinder or in any other manner, any additional person not a party to this Contract except by written consent containing a specific reference to this Contract and signed by CONTRACTOR, CITY, and any other person sought to be joined. (Any Consent to arbitration involving an additional person or persons shall not constitute consent of any dispute not described therein or with any person not named or described therein.) This agreement to arbitrate and any agreement to arbitrate with an additional person or persons duly consented to by the parties to this Contract shall be specifically enforceable under the prevailing arbitration law.
- Notice of the demand for arbitration is to be filed in writing with the other party to this Contract and with the American Arbitration Association. The demand is to be made within a reasonable time after the claim, dispute or other matter in question has arisen. In no event is the demand for arbitration to be made after the date when institution of legal or equitable proceedings based on such claim; dispute or other matter in question would be barred by the applicable statute of limitations. The award rendered by the arbitrators shall be final and judgment may be entered upon it in accordance with applicable law in any court having jurisdiction thereof.
7. The Contractor agrees to comply with all Local, State and Federal regulations and with all applicable standards, orders, or regulations issued pursuant to the Clean Air Act of 1970 (42 U.S.C. 1857 et seq.) and the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.) as amended.
8. If any party brings a suit or action against the other party arising from any breach of any of the covenants or agreements or any inaccuracies in any of the representations and warranties on the part of the other party arising out of this Agreement, then in that event, the prevailing party in such action or dispute, whether by final judgment or out-of-court settlement, shall be entitled to have and recover of and from the other party all costs and expenses of suit, including attorney's fees.

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FY 2018-19 CIP Street Rehabilitation Project (Contract #2019-08)

9. Each and every provision of law and clause required to be inserted in this Contract shall be deemed to be inserted herein and this Contract shall be read and enforced as though it were included herein, and if through mistake or otherwise any such provision is not inserted or is not inserted correctly, then upon application of either party the Contract shall forthwith be physically amended to make such insertion or correction.
10. In accordance with Government Code, Section 8546.7, records of both the City and the Contractor shall be subject to examination and audit for a period of three (3) years after final payment.

IN WITNESS WHEREOF, the parties hereto have caused this Contract to be executed in three counterparts, each of which shall be deemed an original the day and year first above written.

CONTRACTOR:

By: _____

Title: _____

Date: _____

By: _____

Title: _____

Date: _____

Federal ID Number: _____

CITY:

By: _____

Title: City Manager, City of Lemon Grove

Date: _____

ATTEST:

By: _____

Title: City Clerk, City of Lemon Grove

(Notaries acknowledgement of execution by all PRINCIPALS OF CONTRACTOR shall be attached.)